

# EXHIBIT 1

***In The Matter Of:***

***Leadership Studies***

***v.***

***Blanchard Training***

---

***Kenneth Blanchard, Ph.D. VOL I***

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***August 2, 2017***

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BH CDR Job # **1065227**

number of pages 296

***Word Index Included with this Condensed Transcript.***

IN THE UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

-----X  
LEADERSHIP STUDIES, INC., a  
California corporation,

Plaintiff,  
- against -

BLANCHARD TRAINING AND DEVELOPMENT,  
INC., a California corporation, and  
DOES 1-10, INCLUSIVE,

Defendants.

Case No. 15CV1831 WQH-KSC

-----X  
BLANCHARD TRAINING AND DEVELOPMENT,  
INCORPORATED,

Counterclaim-Plaintiff  
- against -

LEADERSHIP STUDIES, INC.,

Counterclaim-Defendant,

1114 Avenue of the Americas  
New York, New York

August 2, 2017  
8:10 a.m.

Videotaped Deposition of Defendant by KENNETH  
BLANCHARD, PhD taken pursuant to Notice, before Rita  
Persichetty, a Notary Public of the State of New  
York.

**Kenneth Blanchard, Ph.D. - 8/2/2017**

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2

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25

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1 A P P E A R A N C E S: (Cont'd)

2

3 ALSO PRESENT:

4 RICHARD ANDREWS

5 MAUREEN SHRIVER, Via teleconference

6 GLENNA WITHEM, Via teleconference

7 DAVID JIMENEZ, Videographer

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**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	reached some kind of agreement so that the	12:35:51
2	lawsuit against you was not pursued?	12:35:53
3	A Yes. And that we -- and they	12:35:55
4	wouldn't sue us again or in the future.	12:35:57
5	Q And with whom did you think you made	12:36:09
6	that agreement?	12:36:11
7	A I assumed it was with Paul.	12:36:15
8	Q With Paul personally?	12:36:18
9	A I don't know. Paul and the Center,	12:36:23
10	whatever, whoever was suing.	12:36:28
11	Q And, in fact, isn't it correct that	12:36:35
12	you were of the opinion that that agreement was	12:36:39
13	with all of Dr. Hersey's -- Dr. Hersey's	12:36:41
14	entities, correct?	12:36:48
15	MR. STRAUSS: Just asked and answered	12:36:51
16	it. He said with the plaintiff.	12:36:52
17	MS. DESOER: I'd like to mark as	12:37:06
18	Exhibit 132 a one-page letter from	12:37:06
19	Dr. Blanchard to Ralph Hersey, and that	12:37:15
20	letter is dated May 18, 1984.	12:37:17
21	(Exhibit 132, One-page letter dated	12:37:17
22	5/18/84, marked for identification.)	12:37:17
23	Q Dr. Blanchard, have you had an	12:38:36
24	opportunity to review this document that was	12:38:37
25	marked Exhibit 132?	12:38:38

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	A	Yes. Uh-huh.	12:38:40
2	Q	And do you recognize the letter as	12:38:41
3		one you wrote?	12:38:43
4	A	Again, I don't remember it, but I	12:38:45
5		recognize it now that I read it.	12:38:46
6	Q	Now that you read it, does it refresh	12:38:49
7		your recollection that you wrote that letter?	12:38:51
8	A	Yes.	12:38:53
9	Q	Okay. Is that your signature, "Ken,"	12:38:54
10		at the bottom?	12:38:55
11	A	Yes.	12:38:56
12	Q	Now, this is a letter you wrote to	12:38:59
13		Ralph Hersey, and he was the brother of Paul	12:39:01
14		Hersey, correct?	12:39:03
15	A	Yes. Uh-huh.	12:39:05
16	Q	"Yes"?	12:39:05
17	A	Yes.	12:39:06
18	Q	And in this second full paragraph, it	12:39:07
19		says, "I'm sure you're aware of the June 1982	12:39:10
20		agreement which John Myers and I signed."	12:39:13
21		Does that refresh your recollection	12:39:17
22		of the timing --	12:39:18
23	A	Yes.	12:39:19
24	Q	-- of the agreement?	12:39:19
25	A	Yes.	12:39:20

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	Q	Okay. And it says that you would not	12:39:20
2		pursue violation of trademark actions now or in	12:39:25
3		the future as it refers to Situational	12:39:29
4		Leadership.	12:39:30
5		Do you see that?	12:39:32
6	A	Yes. Uh-huh.	12:39:32
7	Q	And when you referred to "you," you	12:39:33
8		were -- to whom were you referring as "you"?	12:39:35
9	A	I would assume the Center for	12:39:42
10		Leadership Studies, Paul, anybody over there.	12:39:44
11	Q	And in this letter you recognize at	12:39:51
12		the time it would be difficult for either of	12:39:54
13		you to enforce a trademark against a third	12:39:59
14		party, right?	12:40:02
15	A	Yes. That's the whole motivation for	12:40:02
16		that, is that if we didn't have a working	12:40:05
17		relationship, somebody could use it, and if we	12:40:08
18		weren't together on it, we couldn't enforce it.	12:40:11
19		So that's the whole motivation.	12:40:13
20	Q	And you realized that the 1982 letter	12:40:17
21		agreement did not provide anyone specifically	12:40:21
22		the right to enforce, correct?	12:40:23
23	A	I don't --	12:40:26
24		MR. STRAUSS: The document speaks for	12:40:26
25		itself.	12:40:27

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	Q	I'm asking what he understood.	12:40:28
2	MR. STRAUSS:	And it calls for a	12:40:30
3		legal conclusion, and I'm making my	12:40:31
4		objections.	12:40:35
5	Q	You can answer the question,	12:40:35
6		Dr. Blanchard.	12:40:36
7	A	Which document are you talking about?	12:40:38
8	Q	I'm asking whether at the time you	12:40:39
9		wrote this letter in 1984 you understood that	12:40:39
10		the 1982 agreement did not give explicitly any	12:40:42
11		party the right to enforce the mark.	12:40:47
12	A	I assume that --	12:40:49
13	MR. STRAUSS:	I'll make the same	12:40:50
14		objections.	12:40:51
15	THE WITNESS:	The document speaks for	12:40:53
16		itself.	12:40:54
17	Q	Dr. Blanchard, I would like my --	12:40:55
18		it's not about a document. It was about your	12:40:57
19		understanding in 1984.	12:40:59
20	MR. STRAUSS:	If you remember.	12:41:01
21	A	Yeah, I assume that must have been,	12:41:02
22		yeah, because I don't see anything in here in	12:41:03
23		my letter to Ralph about that. So it was just	12:41:05
24		that we were going to not sue each other, stay	12:41:08
25		together.	12:41:13

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	Q	Okay. What it says is that there	12:41:13
2		needs to be some way to protect the mark,	12:41:16
3		correct?	12:41:17
4	A	That's right, yeah.	12:41:18
5	Q	And there was not at that point any	12:41:19
6		way for Blanchard Training to protect the mark?	12:41:21
7	A	That's right, yeah.	12:41:25
8		MR. STRAUSS: Objection. The	12:41:25
9		documents speaks for itself.	12:41:25
10		MS. DESOER: I'm not talking about	12:41:26
11		the document.	12:41:26
12		MR. STRAUSS: You just read from it.	12:41:27
13		MS. DESOER: No, I didn't. This was	12:41:28
14		not reading from the document.	12:41:29
15		MR. STRAUSS: What are you reading	12:41:30
16		from? You said, it said.	12:41:31
17		MS. DESOER: Generally.	12:41:34
18		MR. STRAUSS: Oh, so you're	12:41:35
19		paraphrasing it?	12:41:36
20		MS. DESOER: Yeah.	12:41:38
21		MR. STRAUSS: The document speaks for	12:41:38
22		itself.	12:41:39
23		MS. DESOER: Thank you.	12:41:40
24		MR. STRAUSS: Objection.	12:41:42
25		MS. DESOER: You think we should just	12:41:44

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	break now for --	12:41:46
2	MR. STRAUSS: Why don't you finish on	12:41:49
3	this, and we'll break.	12:41:50
4	MS. DESOER: I'm finished on that	12:41:50
5	letter.	12:41:51
6	MR. STRAUSS: Okay. Yeah. Great.	12:41:51
7	Our food should be here.	12:41:52
8	THE VIDEOGRAPHER: We're now going	12:41:55
9	off the record at approximately 12:41 p.m.	12:41:56
10	(Luncheon recess taken at 12:41 p.m.)	12:41:58
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Kenneth Blanchard, Ph.D. - 8/2/2017

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3	A F T E R N O O N	S E S S I O N
4	(Time noted: 1:15 p.m.)	12:41:58
5	K E N N E T H B L A N C H A R D,	12:41:58
6	resumed and testified as follows:	12:41:58
7	CONTINUED EXAMINATION	12:41:58
8	BY MS. DESOER:	12:41:58
9	THE VIDEOGRAPHER: We're now back on	13:15:56
10	the record at approximately 1:15 p.m.	13:15:56
11	Q Dr. Blanchard, at some point you	13:16:03
12	learned that Dr. Hersey was going to be	13:16:04
13	publishing a book called "The Situational	13:16:07
14	Leader"?	13:16:09
15	A Yes.	13:16:10
16	Q How did you hear about that?	13:16:10
17	A From talking to him.	13:16:11
18	Q Do you recall approximately when you	13:16:14
19	learned about it?	13:16:15
20	A I'm sure it was before the book came	13:16:17
21	out and...	13:16:19
22	Q Well, how long before the book came	13:16:23
23	out did you know that he was going to publish	13:16:25
24	it?	13:16:26
25	A Probably a couple years. You know,	13:16:28

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	it takes a while. We were working on	13:16:30
2	"Leadership" and "The One Minute Manager" at	13:16:35
3	the same time.	13:16:38
4	Q And that was the third book in The	13:16:39
5	One Minute Manager series?	13:16:42
6	A Yes. Uh-huh.	13:16:44
7	Q So you published The One Minute	13:16:44
8	Manager itself in 1982?	13:16:46
9	A Uh-huh.	13:16:48
10	Q Is that "yes"?	13:16:49
11	A Yes.	13:16:49
12	Q And the -- what was the second one?	13:16:50
13	A Putting The One Minute Manager where	13:16:52
14	it came out probably in '83.	13:16:54
15	Q Dr. Blanchard, if you're getting	13:17:03
16	tired and can't give me your best testimony,	13:17:04
17	I'd like you to tell me. Okay?	13:17:06
18	A Sure. Okay.	13:17:08
19	Q I just want to make sure that we're	13:17:09
20	clear that I --	13:17:11
21	MR. STRAUSS: I was just giving him a	13:17:11
22	signal to keep his voice up.	13:17:12
23	MS. DESOER: Right. I understand,	13:17:15
24	but sometimes people's voices drop when	13:17:15
25	they're getting tired.	13:17:18

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	Q	So I just want to go on the record	13:17:19
2		saying that, you know, if you ever feel you	13:17:22
3		can't give me your best testimony, let me	13:17:22
4		know --	13:17:24
5	A	Sure. Yup.	13:17:24
6	Q	-- because I don't want you to then	13:17:25
7		say "I was too tired, and I didn't remember"	13:17:27
8		something and "I now remember."	13:17:31
9		Do you understand?	13:17:32
10	A	Sure. Thank you.	13:17:33
11	Q	How did it come about that the	13:17:39
12		Zigarmis wrote Leadership and the One Minute	13:17:40
13		Manager with you?	13:17:45
14	A	One of the things is we decided not	13:17:47
15		to make our founding associates owners of the	13:17:48
16		business because it would have gotten	13:17:52
17		complicated. But I wanted to find a way to get	13:17:54
18		everybody income, and so eventually I wrote a	13:17:56
19		book with every one of them.	13:17:59
20		And so the first ones I did was with	13:18:00
21		Pat and Drea because they made a commitment and	13:18:04
22		flew out and came to California, quit jobs, and	13:18:08
23		the others all stayed back in Massachusetts,	13:18:10
24		and so I felt I owed them something. And they	13:18:12
25		were both of my doctoral students.	13:18:21

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1 Q Who physically wrote Leadership and 13:18:27  
2 the One Minute Manager? 13:18:30

3 A We all did it together, and we might 13:18:34  
4 write different sections and all. 13:18:37

5 Q Didn't Drea write most of the first 13:18:42  
6 drafts? 13:18:45

7 A No, I don't think so. He might have 13:18:46  
8 thought he did. Pat was a better writer than 13:18:48  
9 Drea. If somebody was doing more, it would 13:18:55  
10 have been her. 13:18:57

11 Q Did you and Dr. Hersey discuss the 13:18:59  
12 fact that your books were scheduled to be 13:19:02  
13 published around the same time? 13:19:04

14 A I'm sure we did, because we agreed to 13:19:05  
15 back ours off and let his come out first. 13:19:08

16 Q And you mean BTD agreed to back off 13:19:12  
17 on Leadership and the One Minute Manager to 13:19:16  
18 allow Dr. Hersey's book to come out first, 13:19:18  
19 correct? 13:19:22

20 A Correct. 13:19:23

21 Q And that actually didn't happen, did 13:19:23  
22 it? 13:19:25

23 A It did. 13:19:25

24 Q Isn't it correct that they were 13:19:26  
25 published within the same month? 13:19:28

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1 A I don't know. His came out first,  
2 though.

13:19:29

13:19:31

Kenneth Blanchard, Ph.D. - 8/2/2017

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	MS. DESOER: Okay. I'm going to mark	13:24:31
2	as Exhibit 135 a two-page document that is	13:24:33
3	a letter from Ms. McBride to Dr. Hersey,	13:24:46
4	and it starts with Blanchard 486.	13:24:49
5	(Exhibit 135, two-page letter Bates	13:24:52
6	stamped 486, marked for identification.)	13:24:52
7	Q Dr. Blanchard, does this look like	13:25:10
8	the same letter that is attached to your letter	13:25:13
9	to Ms. McBride?	13:25:14
10	A Yes. She follows directions very	13:25:16
11	well.	13:25:17
12	Q Do you know why it was dated a month	13:25:18
13	after your letter to her?	13:25:20
14	A I don't. She might have been on	13:25:24
15	vacation.	13:25:29
16	Q Okay. I don't want you to speculate.	13:25:30
17	You don't know why it was late -- not	13:25:31
18	late but a month later?	13:25:34
19	A Right.	13:25:36
20	Q So do you recall that Dr. Hersey	13:25:37
21	originally self-published his book and then got	13:25:43
22	a deal to have it published by Warner Books?	13:25:45
23	A Uh-huh.	13:25:52
24	Q Yes; you recall that?	13:25:52
25	A Yes.	13:25:53

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1 Q So originally it was self-published, 13:25:54  
2 but then he got the deal to go international 13:25:56  
3 publication, correct? 13:25:59

4 A Yeah, yeah. When did the 13:25:59  
5 self-publish come out? What date was that? 13:26:03

6 Q I'm not here to answer questions, but 13:26:06  
7 I understand it was sometime in 1984. 13:26:09

8 A Yeah. Okay. 13:26:26

9 Q I'm going to mark as Exhibit 136 a 13:26:26  
10 three-page document. It includes an envelope 13:26:29  
11 at the end that starts with Blanchard 489, and 13:26:34  
12 it's to Dr. Blanchard from Walton Wahnn, 13:26:39  
13 W-a-h-n-n. 13:26:42

14 (Exhibit 136, three-page document 13:26:44  
15 Bates stamped Blanchard 489, marked for 13:26:44  
16 identification.) 13:26:44

17 Q Do you recall receiving this letter, 13:28:10  
18 Dr. Blanchard? 13:28:11

19 A No. It was certified, though. I 13:28:12  
20 don't recall it. 13:28:13

21 Q Do you recall there being a dispute 13:28:15  
22 between yourself and Dr. Hersey about the 13:28:17  
23 publication dates on The Situational Leader as 13:28:19  
24 of the end of 1984? 13:28:22

25 A I don't remember that, but I remember 13:28:24

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	discussions, but I don't remember it.	13:28:26
2	Q Do you remember that he was claiming	13:28:29
3	you were breaching an oral agreement with him	13:28:31
4	to hold off on the publication?	13:28:33
5	A The -- I assume that was what the	13:28:36
6	issue was.	13:28:42
7	MR. STRAUSS: No, don't assume. She	13:28:43
8	asked if you remember.	13:28:44
9	THE WITNESS: I don't remember.	13:28:46
10	Q And you don't recall the publication	13:28:47
11	date for Leadership and the One Minute Manager?	13:28:48
12	A I don't.	13:28:51
13	Q And you don't recall what date The	13:28:52
14	Situational Leader was published nationally?	13:28:53
15	A That was different. Is that the	13:28:55
16	Warner one or his self-published one?	13:29:00
17	Q The Warner one.	13:29:03
18	A Yeah, which is different than...	13:29:04
19	So he got the self one out with	13:29:05
20	plenty of time before ours.	13:29:09
21	Q But you knew he was going to get a	13:29:12
22	national -- when he got the national publisher	13:29:13
23	was when it was going to get wider	13:29:16
24	distribution, right?	13:29:20
25	A Uh-huh. Sure.	13:29:20

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	Q	All right. I'm going to change	13:29:25
2		subjects a little bit here.	13:29:28
3		You are aware, of course, of the 1987	13:29:29
4		license agreement, correct?	13:29:42
5	A	Yes.	13:29:43
6	Q	Okay. And if you need to refer to	13:29:43
7		it, it is Exhibit number 2 in your witness	13:29:45
8		binder in front of you.	13:29:48
9	A	Uh-huh.	13:29:50
10	Q	Now, would you agree with me that the	13:29:56
11		parties negotiated several -- for several years	13:30:02
12		before reaching the terms of this license	13:30:05
13		agreement?	13:30:08
14	A	What was the question, please?	13:30:08
15	Q	Would you agree with me that the	13:30:10
16		parties negotiated several years before	13:30:11
17		entering into this license agreement?	13:30:14
18	A	Yes.	13:30:16
19	Q	Who were the principal negotiators	13:30:17
20		for Blanchard?	13:30:19
21	A	I don't recall.	13:30:21
22	Q	Were you one of the principal	13:30:24
23		negotiators?	13:30:25
24	A	I've never been much of a negotiator,	13:30:26
25		so I don't know whether Dale Truax was there or	13:30:28

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	who was there.	13:30:31
2	Q Did Dale Truax -- what was his role	13:30:32
3	between 1985 and 1987?	13:30:35
4	A I don't know. He did a lot of work	13:30:41
5	with international and a lot of different	13:30:42
6	things. I don't know exactly. He didn't	13:30:45
7	report to me.	13:30:47
8	Q Who did he report to?	13:30:49
9	A I don't know.	13:30:51
10	Q Neil Martin was your attorney at the	13:30:56
11	time?	13:30:58
12	A Yes.	13:30:58
13	Q Did Neil Martin have authority to act	13:30:59
14	on your behalf?	13:31:01
15	A I don't know.	13:31:04
16	Q You didn't authorize your attorney to	13:31:07
17	act on your behalf?	13:31:09
18	MR. STRAUSS: It's vague as to what.	13:31:10
19	Q In regard to negotiating a license	13:31:12
20	agreement with --	13:31:15
21	A If he did, I must have given him the	13:31:17
22	power to do that.	13:31:19
23	Q That would be your assumption?	13:31:20
24	A Yes.	13:31:21
25	Q He wouldn't have negotiated a	13:31:22

**Kenneth Blanchard, Ph.D. - 8/2/2017**

1	contract without your permission, correct?	13:31:23
2	A No.	13:31:25
3	Q And you don't know what Dale Truax's	13:31:27
4	role was?	13:31:29
5	A Not exactly, no.	13:31:30
6	Q Is there anyone other than Dale Truax	13:31:31
7	that you thought might have been involved in	13:31:33
8	negotiating the 1987 license agreement?	13:31:35
9	A I don't know. My wife might have	13:31:37
10	been. I don't know.	13:31:39
11	Q Anybody else other than your wife and	13:31:41
12	Dale Truax?	13:31:42
13	A Not that I can recall. I don't know.	13:31:45
14	Q Who was on the leadership team in	13:31:50
15	1985 to 1987?	13:31:53
16	A I don't know.	13:31:55
17	Q Do you know who would know?	13:31:58
18	A Margie would know.	13:31:59
19	Q And if Margie didn't know, is there	13:32:01
20	anyone else who might know?	13:32:02
21	A I don't know if Tom was with us yet.	13:32:05
22	Q Anyone else that you know that might	13:32:08
23	know this answer?	13:32:09
24	A I don't know.	13:32:16
25	Q Now, do you recall that you had	13:32:27

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1	several more disputes with the Hersey	13:32:29
2	organization Center for Leadership Studies and	13:32:32
3	Blanchard Training in the 1980s after the 1982	13:32:39
4	lawsuit?	13:32:43
5	A Uh-huh.	13:32:44
6	Q Do you recall that?	13:32:44
7	A Yes.	13:32:45
8	Q Do you recall ever receiving a copy	13:32:46
9	of a draft lawsuit on or about February 19,	13:32:48
10	1985?	13:32:51
11	A I don't recall it.	13:32:52
12	Q I'm going to mark this as	13:32:53
13	Exhibit 137.	13:32:54
14	(Exhibit 137, Civil complaint Bates	13:32:55
15	stamped Blanchard 49460, marked for	13:32:55
16	identification.)	13:32:55
17	Q It's a civil complaint with the --	13:33:07
18	during which -- bearing the Bates number	13:33:09
19	Blanchard 49460.	13:33:15
20	Dr. Blanchard, does this document	13:33:44
21	refresh your recollection as to if you're aware	13:33:45
22	that there was a draft lawsuit filed or	13:33:47
23	delivered to you?	13:33:50
24	A This tells me there was. I don't --	13:33:53
25	I wouldn't have recalled it a couple weeks	13:33:54

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1 before, no.

13:33:58

2. Q That's fine. If you look at the  
3 last page, there's some -- the very last page  
4 of the document.

13:33:58

5 A Yes.

13:34:03

6 Q There is some handwriting on that  
7 document. Do you recognize that?

13:34:12

8 A It says lawyer fee and all that.

13:34:15

9 Q Yes

13:34:17

10 A. N. G.

13:34:18

11 0 T d

13:34:18

11 Q I didn't think so, but I wanted to  
12 check. Okay. Thank you.

13:34:18

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5 MR. STRAUSS: I'll have a belated  
6 objection to that last question that the  
7 document speaks for itself.

13:39:24

13:39:26

13:39:28

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A black and white image showing a grid of horizontal bars. The bars are black and vary in length. They are arranged in rows, with some rows having longer bars and others having shorter bars. The bars are positioned on a white background. There are also some small black dots scattered around the bars.

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The image consists of a grid of horizontal bars, likely representing a barcode or a series of data markers. The bars are black on a white background. They are arranged in a staggered pattern, where each row is offset from the row above it. The lengths of the bars vary significantly, with some being very short and others being quite long. The entire grid is enclosed within a thick black border. The overall effect is one of a high-contrast, binary-like pattern.

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A vertical column of 20 horizontal black bars of varying lengths, with a vertical line of 20 black dots on the left.

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10 Q I'm sure it was excellent. I'm going 13:52:59  
11 to mark as Exhibit 141 a two-page document 13:53:46  
12 which is a memo to associates from Ken 13:53:52  
13 Blanchard entitled "good news about Situational 13:53:56  
14 Leadership." 13:53:58

15 (Exhibit 141, Two-page memo entitled, 13:54:00  
16 Good news about Situational Leadership, 13:54:00  
17 marked for identification.) 13:54:00

18 A Go ahead. 13:55:20

19 Q Dr. Blanchard, do you recognize this 13:55:22  
20 memo that is marked as Exhibit 141? 13:55:24

21 A Yes. 13:55:28

22 Q Okay. And did you write it? 13:55:29

23 A Document speaks for itself. I must 13:55:35  
24 have. 13:55:36

25 Q You're agreeing that you wrote it, 13:55:37

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1	right?	13:55:39
2	A      Yup.	13:55:39
3	Q      And who were the associates? Who did	13:55:40
4	you consider associates?	13:55:41
5	A      That was the same group which is the	13:55:42
6	people who deliver our product and our	13:55:46
7	salespeople and our product managers.	13:55:48
8	Q      Did it include the entire staff or	13:55:54
9	just those people?	13:55:56
10	A      Since it says "associates," I think	13:55:58
11	it probably went pretty wide.	13:56:02
12	Q      And is there anything in this memo	13:56:08
13	that you now think you should not or was	13:56:14
14	incorrect when you wrote it?	13:56:16
15	A      No, I think what this does is it	13:56:18
16	settles the disputes we were having because I	13:56:21
17	gave Paul what he wanted, which is me to stay	13:56:23
18	on as a co-author, and he gave me what we	13:56:27
19	wanted, which is a license-free agreement to	13:56:29
20	use Situational Leadership. And then we agreed	13:56:32
21	without inspection because we didn't want to	13:56:37
22	get into each other's business. So I think	13:56:39
23	it's great.	13:56:41
24	Q      And the license agreement -- 1987	13:56:43
25	license agreement stated that you had to --	13:56:48

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1 that Blanchard Training's product had to be at  
2 least as good as it was in 1987, correct?

13:56:50

3 A Yes.

13:56:53

4 Q You think you've ever had product  
5 that was less good than what it was in 1987?

13:56:57

13:56:59

6 A Our products get better all the time.

13:57:03

7 Q And your -- both you and Dr. Hersey  
8 generally know what the other person is doing  
9 in the marketplace, correct?

13:57:04

13:57:07

10 A Yes.

13:57:10

11 Q You both have booths at ATD now --

13:57:11

12 A Yup.

13:57:15

13 Q -- and you see the kind of marketing  
14 and the kind of materials, correct?

13:57:15

13:57:16

15 A Yes.

13:57:18

16 Q Even though some of it's proprietary  
17 and you wouldn't see it; and they wouldn't see  
18 your materials, correct?

13:57:18

13:57:20

13:57:22

19 A Right.

13:57:23

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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A large grid of black bars on a white background, likely a redacted document. The grid consists of approximately 20 horizontal rows and 20 vertical columns of bars. The bars are thick and black, obscuring the content of the document. The grid is centered on the page and occupies most of the available space.